

DAILY MARKETS OVERVIEW

20 AUGUST 2019

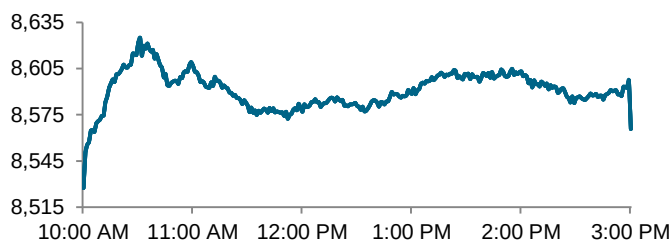
السوق السعودي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	8,566	0.5	0.2	9.4	20.9
Saudi (NOMU)	3,982	-5.3	-5.2	58.0	20.8
Energy	4,689	-0.4	0.9	-3.3	38.6
Materials	5,269	0.3	0.1	0.3	26.4
Capital Goods	3,978	1.3	2.4	2.0	32.5
Com. & Prof. Svc	4,509	-1.1	-0.9	9.0	20.7
Transportation	3,854	-0.1	0.2	10.8	18.8
Cons. Durables & Apparel	3,557	0.1	0.6	-2.9	NA
Consumer Services	3,485	0.2	-0.1	18.3	NA
Media	10,866	-0.2	0.4	6.8	47.8
Retailing	7,531	0.2	0.8	9.7	32.6
Food & Staples Retailing	6,510	1.1	1.2	9.5	33.6
Food & Beverages	4,206	-0.9	-0.6	8.2	NA
Health Care Equipment	3,876	1.0	0.1	3.2	27.9
Pharma, Biotech & Life Science	3,364	-1.5	-2.1	-13.3	NA
Banks	8,260	0.6	-0.1	14.5	14.4
Diversified Financials	3,354	0.0	-0.7	-3.6	NA
Insurance	4,385	0.1	1.1	5.0	NA
Telecommunication	7,033	1.7	1.4	30.1	21.6
Utilities	4,471	0.5	2.8	32.7	NA
REITs	3,843	0.3	-0.1	6.1	15.6
Real Estate	3,191	-0.1	0.0	-1.1	NA

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Saudi Arabian Amiantit Co.	6.73	6.3%	73
Saudi Arabia Refineries Co.	40.60	4.2%	28
Ataa Educational Co.	34.80	4.0%	69
Anaam International Holding Group Co.	9.24	3.8%	9
Zahrat Al Waha for Trading Co.	46.65	3.7%	14

Source: Tadawul

Upcoming General Assembly Meetings

Company	Date
Al Sorayai Trading and Industrial Group	28-Aug-19
Wafrah for Industry and Development Co.	8-Sep-19
The Company for Cooperative Insurance	8-Sep-19
Arabian Shield Cooperative Insurance Co.	11-Sep-19
National Medical Care Co.	15-Sep-19
National Gas and Industrialization Co.	16-Sep-19

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of August 20, 2019

(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.5% higher at 8,566 while NOMU ended down 5.3% at 3,982 on Monday. TASI traded value totaled SAR 3.4bn and averaged SAR 2.8bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 42.9% of the daily traded value.
- MSCI Emerging Markets ended 0.8% higher on Monday, trading at PE (TTM) of 13.2x vs. 20.9x for TASI.
- Banks and Materials gained 0.6% and 0.3%, respectively. Telecom closed 1.7% higher and was the best performing sector. Among stocks, Saudi Arabian Amiantit Co. (2160/SAAC AB), Saudi Arabia Refineries Co. (2030/SARCO AB), and Ataa Educational Co. (4292/ATAA AB) led the gainers.
- According to OPEC's Joint Organizations Data Initiative (JODI), KSA's crude oil exports in June fell to 6.7 mbpd from 6.9 mbpd in May. (Source: Zawya)
- The General Authority for Statistics (GASTAT) revealed that KSA's gross savings climbed 3.0% Y/Y to SAR 252bn (USD 67.1bn) in 1Q19. The gross savings to gross domestic product (GDP) ratio stood at 35.1% in 1Q19, versus 35.0% for the same period in 2018. (Source: Argaam)
- Saudi Telecom Co. (7010/STC AB) terminated contracts with the General Sports Authority (GSA) and Saudi Arabian Football Federation (SAFF). STC stated that these contracts were reviewed and they were proved to be commercially unfeasible. STC expects no relevant financial impact resulting from the contract termination. (Source: Argaam)
- Mobile Telecommunications Co. Saudi Arabia (7030/ZAINKSA AB) started discussions with the Ministry of Finance to convert whole or part of the outstanding debts due to the Ministry into shares. (Source: Argaam)
- Alujain corp. (2170/ALCO AB) revealed that its financial statements for the period ending on June 30, 2019 will be delayed as its affiliate NATPET did not submit its financials. (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Al Yamamah Steel Industries Co.	17.98	-3.4%	13
Al Sorayai Trading and Industrial Group Co.	10.98	-2.3%	55
Saudi Industrial Investment Group	23.50	-2.3%	13
Saudi Vitrified Clay Pipes Co.	44.70	-2.2%	0
Aldrees Petroleum & Transport Services Co.	42.25	-1.7%	13

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Jarir Marketing Co.	169.20	0.1%	455
Al Rajhi Bank	67.60	0.8%	375
Saudi Basic Industries Corp.	104.20	1.2%	347
Alinma Bank	24.20	0.8%	174
Saudi Telecom Co.	112.00	2.4%	123

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,791	-0.2	-0.2	10.3	11.7
Abu Dhabi (ADX)	5,028	-0.2	-0.5	2.3	14.7
Kuwait (KSE)	5,486	-0.1	-1.0	5.8	17.2
Qatar (QE)	9,806	0.2	1.9	-4.8	14.2
Oman (MSM)	3,869	0.2	0.2	-10.5	7.7
Bahrain (BSE)	1,529	-0.1	-0.4	14.4	11.3
DJMENA Index	597	0.2	0.1	7.3	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,924	1.2	1.2	16.6	19.1
US (NASDAQ 100)	8,003	1.4	1.4	20.6	22.3
UK (FTSE 100)	7,190	1.0	1.0	6.9	17.6
Germany (DAX)	11,715	1.3	1.3	11.0	19.5
France (CAC 40)	5,372	1.3	1.3	13.5	18.7
Russia (MICEX)	2,648	1.3	1.3	11.8	5.3
Japan (Nikkei)	20,563	0.7	0.7	2.7	14.6
Hong Kong (HSI)	26,292	2.2	2.2	1.7	10.5
South Korea (KOSPI)	1,940	0.7	0.7	-5.0	12.5
China (SHCOMP)	2,883	2.1	2.1	15.6	13.9
India (NIFTY)	11,054	0.1	0.1	1.8	23.4
Brazil (IBOV)	99,469	-0.3	-0.3	13.2	15.4
Turkey (BIST 100)	95,286	-0.5	-0.5	4.4	7.6
Egypt (EGX30)	14,304	0.1	0.1	9.7	11.5
MSCI Emerging Markets	978	0.8	0.8	1.2	13.2
MSCI World	2,132	1.1	1.1	13.2	18.1

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	59.7	1.9	1.9	11.0	-17.3
Natural Gas (\$/mmbtu)	2.2	0.5	0.5	-24.8	-18.5
Gold (\$/oz)	1,496	-1.2	-1.2	16.6	25.7
Silver (\$/oz)	16.9	-1.4	-1.4	8.9	14.3
Platinum (\$/oz)	852	0.2	0.2	7.0	6.9
Copper (\$/t)	5,746	0.5	0.5	-3.4	-3.6
Zinc (\$/t)	2,251	0.1	0.1	-10.6	-5.5
Lead (\$/mt)	2,032	-0.9	-0.9	1.1	1.7
Wheat (\$/bu)	473	-1.0	-1.0	-6.1	-21.6
Corn (\$/bu)	375	-1.6	-1.6	-0.1	-7.0
Sugar (\$/lb)	11.5	-1.5	-1.5	-4.7	-2.8

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.14	0.00	-0.67	0.00
Saudi Arabia	2.46	-0.01	-0.52	0.32
UAE	2.46	0.02	-0.38	0.32
Kuwait	2.81	0.06	0.50	0.68
Qatar	2.82	0.03	-0.08	0.69
Bahrain	3.07	0.00	-0.88	0.93

Source: Reuters

NOTES: (1) Prices updated as of August 20, 2019 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended in the green on Monday. S&P 500 and NASDAQ gained 1.2% and 1.4%, respectively. Dow Jones Industrial closed 1.0% higher. In Europe, UK gained 1.0%, while both Germany and France ended 1.3% higher.
- Asian markets are trading mixed on Tuesday. China is up 0.1%. Japan and South Korea are trading 0.5% and 0.8% higher, respectively. Hong Kong is trading flat while India is down 0.3%.
- GCC markets were mixed on Monday. Both Dubai and Abu Dhabi lost 0.2%. Kuwait declined 0.1% while Qatar ended 0.2% higher. Oman gained 0.2% while Bahrain closed 0.1% lower.
- OPEC's global oil demand growth forecast for 2019 remains at 1.14 million barrels per day (mb/d), with expectations for global oil demand to reach 99.87 mb/d. In 2020, the initial forecast indicates growth of around 1.14 mb/d Y/Y. (Source: Trade Arabia)
- According to the UAE Central Bank's Financial Stability Report 2018, growth in the UAE banking sector's loan exposure to the real estate sector nearly halved to 8.5% last year, compared to 18.1% in the previous year, due to a persistent decline in property prices as well as a reduction in the number of project launches. (Source: Zawya)
- According to the Japan External Trade Organization (JETRO), the UAE trade surplus with Japan has grown by 14.4% Y/Y during 1H19. The trade surplus with Japan valued at AED 32.9bn (USD 8.9bn) in 1H19, versus AED 28.8bn (USD 7.8bn) in the corresponding period of 2019. (Source: Zawya)
- Average occupancy in Dubai's hotel sector was 76% during the first six months of 2019. The number of occupied hotel rooms in the Emirate went up by 5% Y/Y to 15.71 million in 1H19. Dubai's hotel room inventory rose by 6% Y/Y to reach 118,345 by the end of June. (Source: Zawya)
- Dubai developer Damac Properties (DAMAC UH) is in talks with DICO Properties to acquire two plots of land in Al Sufouh and Business Bay. Damac will reveal the value of the transaction once it is completed, and will also share the deal's impact on its income and profits. (Source: Arabian Business)
- Abu Dhabi-based developer Imkan has appointed Chinese construction company CNTC as the main contractor for its Pixel project on Reem Island in Abu Dhabi. Work on Pixel's seven towers will begin immediately and the project is scheduled full completion in 4Q21. (Source: Trade Arabia)
- Dubai-based Azizi Developments' CEO revealed plans to deliver nine projects in Dubai with total 4,000 residential units by the end of 2019. (Source: Zawya)

Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended August 16 (prior: 1.6mn barrels) will be announced tomorrow. (Source: Econoday)
- US jobless claims for the week ended August 17 (prior: 220K) will be announced on August 22. (Source: Econoday)
- Change in Japan's CPI for July 2019 (prior: 0.0% M/M, 0.7% Y/Y) will be announced on August 22. (Source: Econoday)



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